

**DISCLAIMER**

*This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).*

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, JANUARY 7, 2003

APPLICATION OF

ROANOKE GAS COMPANY

CASE NO. PUE-2002-00373

For a general increase in rates

FINAL ORDER

On June 17, 2002, Roanoke Gas Company ("Roanoke Gas" or the "Company") filed an application with the State Corporation Commission ("Commission") for a general increase in rates. Roanoke Gas requested an increase in the Company's annual revenues of \$1,276,206, with rates proposed to go into effect for service rendered on and after December 1, 2002.

On July 17, 2002, the Commission entered an Order for Notice and Hearing in this matter which docketed the application; directed the Company to publish notice of its proposed rate increase; scheduled a public hearing for December 10, 2002, to receive comments from public witnesses and evidence on the application; and established a procedural schedule for the filing of testimony and exhibits. The Commission authorized the Company to place its proposed rates into effect on an interim basis on December 1, 2002, subject to

refund. The Commission appointed a Hearing Examiner to conduct all further proceedings in this matter.

On November 27, 2002, Roanoke Gas filed a Motion to Place Lower Rates into Effect ("Motion"). In its Motion, Roanoke Gas represented that the Company, Commission Staff and the Division of Consumer Counsel of the Office of the Attorney General ("Consumer Counsel") agreed to stipulate to an annual revenue increase of \$989,741, as well as changes to the terms and conditions in the Company's tariff. The Motion stated that the proposed Revenue Stabilization Factor, renamed the Weather Normalization Adjustment ("WNA"), had been modified to reflect Commission Staff and Consumer Counsel recommendations. The Company included tariff sheets reflecting the change to the proposed increase in rates and requested that the new rates be effective for service rendered on and after December 1, 2002. Roanoke Gas also included a bond in the amount of \$1,000,000 to secure the refund of any rates put into effect as of December 1, 2002, that the Commission later determines are not just and reasonable.

Hearing Examiner Michael D. Thomas granted the Motion in a Ruling entered on December 2, 2002. The Company's requested annual revenue increase of \$989,741, and the requested changes in its tariff, including the WNA, were placed into effect on December 1, 2002. The bond securing any possible refunds was

accepted for filing. Finally, Roanoke Gas was directed to keep accurate detailed accounts of all amounts received under the increased rates and was advised that the Company would bear the cost of making any Commission directed refund.

On December 10, 2002, the public hearing was convened with appearances by Richard D. Gary, Esquire, on behalf of Roanoke Gas, Katharine A. Hart, Esquire, on behalf of Commission Staff, and C. Meade Browder, Jr. Esquire, on behalf of Consumer Counsel. No public witnesses appeared. For the Commission's consideration, Roanoke Gas presented a Stipulation entered into between the Company, Commission Staff, and Consumer Counsel that resolves all of the issues in dispute between the parties.<sup>1</sup>

The Hearing Examiner filed his Report on December 13, 2002. A copy of the Stipulation was attached to the Report. After considering the testimony and exhibits admitted into the record, as well as the Stipulation, the Hearing Examiner found that the Company's \$989,741 annual increase in revenues is just and reasonable and should be approved by the Commission. Additionally, the Hearing Examiner found that the Company's tariff revisions, including the WNA, main extension policy, reconnection fee, credit card transaction fee, and specified rounding of billing units in each Rate Schedule, are reasonable

---

<sup>1</sup> The Stipulation addressed, among other things, a \$989,741 revenue requirement, the WNA, certain filings to be made by Roanoke Gas, and changes in the Company's tariff.

and should be approved by the Commission. Finally, the Hearing Examiner found that the reporting requirements set forth in the Stipulation are reasonable. The Hearing Examiner recommended that the Commission enter an order adopting the findings of his Report and approving the proposed revenue increase and amendments to the Company's tariff as set forth in the Stipulation.

NOW UPON CONSIDERATION of the Company's application, the Hearing Examiner's Report, the Stipulation, and applicable statutes, the Commission is of the opinion and finds that the Hearing Examiner's findings should be adopted, and that Roanoke Gas' proposed revenue increase and amendments to the Company's tariff as set forth in the Stipulation should be adopted.

Accordingly, IT IS ORDERED THAT:

(1) The findings of the Hearing Examiner contained in his December 13, 2002, Report are hereby adopted.

(2) The Stipulation entered into between Roanoke Gas, Commission Staff, and Consumer Counsel, is hereby approved and adopted.

(3) Roanoke Gas' proposed revenue increase of \$989,741 and amendments to its tariff as set forth in the Stipulation are hereby approved and adopted.

(4) There being nothing further to come before the Commission in this proceeding, this case shall be removed from

the docket and the papers transferred to the file for ended causes.